

CITY OF NEWTON

IN BOARD OF ALDERMEN

SPECIAL NEWTON NORTH HIGH SCHOOL  
DESIGN ADVISORY COMMITTEE REPORT

WEDNESDAY, APRIL 27, 2005

Present from the Committee: Ald. Vance (Chairman), Aids. Sangiolo, Stewart, Schnipper, Gentile, Albright, Johnson, and Salvucci. Absent: Ald. Coletti. Also present from the Board of Aldermen: Aids. Baker, Merrill, Linsky, Hess-Mahan, Mansfield, and Parker; Present from the School Committee: Anne Lerner (chair). Also present were School Superintendent Jeffrey Young, Building Commissioner Nick Parnell, and Chief Budget Officer Sandy Pooler.

The chairman called the meeting to order at 7:35 p.m. He noted that the basic purpose of this special committee is to serve as an arm of the Board of Aldermen to monitor on an ongoing basis the process for the design and construction of the new Newton North High School so as to provide an ongoing presence for the Board in that process over times when there is no specific docket item calling for a particular action by the Board. Thus, the chairman noted, the basic purpose of this evening's meeting was for the involved officials to provide to the Board and the public an update on the status of the project.

Building Commissioner Nick Parnell reported that, as noted in the press, the Mayor has selected Turner Construction Company to serve as project manager for the Newton North project. Rob Jusola, who is an architect, will be the particular person from Turner who will serve in the project manager role. In response to a question from Alderman Stewart, Nick responded that Mr. Jusola would be supported by the extensive Turner organization, in particular by Mike Burton and by Dick Amster, who heads Turner's educational facilities operation. At the present time, Mr. Jusola is working with the Designer Selection Committee to develop the Request for Qualifications for architectural services for Newton North. As project manager, he attends all meetings of the Designer Selection Committee.

Nick Parnell also reported that the city has selected the law firm of Palmer & Dodge to provide outside legal counsel services for the Newton North project. Those services will be handled by David Rogers, Esq., who will work on various legal matters relating to the project with Ouida Young of the city's law department. Mr. Rogers and Palmer & Dodge provided similar legal services in connection with the development of the Greater Boston Convention Center. Thus far, Mr. Rogers has worked on the contract for the project manager services and on the preparation of the city's application to the Massachusetts Inspector General for permission to use for the Newton North project the construction manager at risk model that was recently authorized by new state legislation.

If authorized by the Inspector General the city would like to use that new model for construction of the project.

Alderman Schnipper asked why, if the city did not retain outside legal counsel for the Newton South project, it has retained such counsel for the Newton North project. Nick Parnell responded that the Newton South work was done under the standard model for construction of public buildings in Massachusetts whereas, as noted, the city would like to use the new construction manager at risk model for Newton North. Since that is a new model, with which the city has no previous experience, it seemed prudent to hire legal counsel that has experience in handling the contracts and related legal matters in a construction manager at risk model, as Palmer & Dodge did for the convention center. Alderman Salvucci asked what the cost of those legal services would be. Nick Parnell responded that the legal services contract has not yet been finalized but that he expects that the total cost of the outside legal services will probably be capped at \$250,000. The cost of those services will be covered within the \$3.4 million that the Board has appropriated for the initial design and other work for the project.

Nick Parnell reported that the next meeting of the Designer Selection Committee will be held in Room 209 at City Hall next Tuesday, May 3. The committee will continue its work on preparing the RFQ for architectural services. Nick Parnell expects that the RFQ will be put in final form and distributed for responses sometime within the next month. He said that the city expects to attract many responses from a large number of highly qualified firms, as Newton North is a very high visibility project, which will carry a substantial fee for its architectural services. The city will solicit responses to the RFQ through an ad in the Boston Globe and through listing in an architectural publication called the Central Register. The RFQ will also be publicized through the Boston Society of Architects. The focus of the city's solicitation effort will be Massachusetts but Nick expects that through such things as the listing in the Central Register, there will be responses from important architectural firms in New York and elsewhere. He expects that in many cases architectural firms with complementary strengths will form partnerships for their responses to the RFQ, similar to the partnership between Tony Tappe and the Kallmann McKinnell firm that did the architectural work for the main library building. He also stated that anyone who wishes to suggest the names of architectural firms to whom the RFQ should be sent should forward such names to him, and he will see that they receive the RFQ.

Nick reported that the purpose of applying to the Inspector General for authorization to use the construction manager at risk model was for the IG to satisfy himself that the community has the necessary financial and other qualifications to utilize that model satisfactorily. He stated that at this time one other community has almost completed an application to the IG for authorization to use the construction manager at risk model. To date no other municipality has used that new model for construction of a public building, but it has been used only for the convention center. Nick also stated that even if the IG approves use of the construction manager at risk model for Newton North, the city would need to prequalify at least three bidders in order to use that model. To date two firms have indicated interest in bidding on the construction manager at risk job

so the city will need to obtain at least one more qualified bidder in order to use the construction manager at risk model. If it does not attract the minimum of three qualified bidders, it will need to use the standard 149 process. However, now even under that process the city can require prequalification of bidders for the prime contract and of the various sub-bidders. While under these various processes the city still must accept the low bids, it has more flexibility in limiting the bids to be considered to those bidders that it has prequalified. In such prequalification, it takes into account such factors as past experience and the bidders' history in making prompt payment to their suppliers.

Several aldermen indicated their strong interest in having the Designer Selection Committee schedule its meetings on nights when interested aldermen can attend and in having a schedule of meetings set well in advance so that plans for attendance can be made. Nick reiterated that the committee's next meeting would be on Tuesday, May 3, when no aldermanic committee meetings are scheduled. That meeting is presently scheduled to be held in Room 209 at City Hall but if there is great interest it might be moved to the Druker Auditorium at the library. A limiting factor on holding meetings at the library is that the library closes at 9 p.m. although Nick, as Building Commissioner, may be able to obtain extensions of that deadline for meetings held in the Druker Auditorium if necessary. He suggested that Thursday seemed like a good night for future meetings of the Designer Selection Committee, as ordinarily there are no aldermanic committee meetings scheduled for that night. Alderman Stewart opined that the Designer Selection Committee should schedule its meetings at times that meet the needs of the committee's members and should not feel that the committee's meeting schedule should defer to the wishes of the Board of Aldermen.

While Nick Parnell is not in a position to make a commitment or a firm estimate as to when an architect will be on board to begin its work, it is his present sense that a reasonable target date is September 1 of this year. The committee and other aldermen then discussed the subject of public participation in the process of selecting the three finalists for architectural services to be submitted to the Mayor and in the process of designing and developing the design and the site plan for the new building. Nick Parnell noted that while there is no established formal process for public comment to the Designer Selection Committee, as a matter of practice the chair of that committee at some time during its meetings asks for any comments by any of those members of the public who are attending the meeting. Alderman Stewart observed that while neighborhood concerns should be considered in the development of the project, it was not the proper role of the architect or others developing the design and site plan for the project to negotiate with neighbors over the matter, and Alderman Baker noted that the high school is to be developed for the benefit of the citizenry of the entire city and must be developed with that broad purpose in mind. Alderman Vance emphasized that it is critical to the credibility of the process for selection of an architect that the work of the Designer Selection Committee be as transparent as possible, which should include public release of the names of all architectural firms that submit responses to the RFQ.

The committee then discussed the role of the Design Review Committee in the process. Nick Parnell noted that, in addition to the standing members of that committee,

which includes Alderman Salvucci, the Board of Aldermen and the School Committee will each designate an ad hoc member to sit on that committee for the Newton North project. The basic role of the Design Review Committee is to review the architectural contract and then to work with the architect on the design of the building and to exercise general oversight of the project to see that it stays on schedule and on budget. Alderman Baker asked Nick Parnell to provide to the committee an updated timeline for the project showing the various points in the process at which there will be opportunity for public comment and input. Nick agreed to provide that at an early date.

The committee then discussed the next steps to be taken in the process of refining the education specifications for the new building and in translating those specifications into an appropriate building design that is both visually attractive and functionally effective. Alderman Stewart cited a commentary in the current issue of the TAB by Jonathan Bassett, chair of the Newton North history department, as an example of the kind of thinking that should be taking place among faculty members and other educators about what the new Newton North should be. Anne Lerner, chair of the School Committee, responded that developing the design of the building is an ongoing process as to which the School Committee is currently in a bit of a hiatus until the architectural design team is brought on board. Anne noted that in the past there has been a great deal of work by Newton North faculty, school department staff and others working with the prior architects, DRA, to develop the general educational program and a general space concept for Newton North.

In specific response to the commentary by Mr. Bassett, Alderman Schnipper observed that while there may be great interest in moving away from the 1960s avant-garde concept for school buildings that resulted in the present Newton North to a more classic style of school building along the lines of Brookline High School, the result of the recent extensive renovations of that school has been “god awful.” While the classic exterior of that building is still quite handsome, Alderman Schnipper believes that the interior renovations are functionally very deficient.

Chief Budget Officer Sandy Pooler then provided an update on various matters relating to the financing plan for Newton North. He clarified and corrected recent stories in the Boston Globe that had implied that the state’s audit of Newton’s middle school building projects had resulted in reductions in Newton’s state reimbursements for those projects. He reported that those audits were simply the usual audits that the state always conducts at the conclusion of a reimbursable school building project to make an accurate determination of the reimbursable costs as the basis for determining the final reimbursement amount by the state to the municipality. In the case of Newton’s middle school building projects, the result of the state’s audits was that Newton will receive \$100,000 more in state reimbursements than was estimated previously. Those funds, like other state school building reimbursements, will go into the city’s high school debt reserve fund, which will be used as one source of debt service funding for the Newton North project. Alderman Vance asked whether the \$46 million that the state has said it will reimburse Newton for the projected construction costs of the new Newton North

could be greater as the result of the post-construction audit of Newton North. Sandy was not certain, but said that the reimbursed amount could be more than the \$46 million.

Sandy then distributed an exhibit showing the city's plan for financing its borrowing needs for Newton North and other projects over the next twenty years. (A copy is attached to this report.) Basically, the city plans to continue over those years to devote 3% of its annual revenues to debt service on borrowing for its capital projects, including Newton North. It will use the school reimbursement moneys in the debt reserve account to pay portions of the debt service in years when overall debt service would, without payments from that reserve, exceed the 3% amount, in order to pay all debt service obligations while keeping to the 3% limit in every year. That plan will cushion the debt service impact so that there will never be more than 3% of city revenues devoted to debt service in any year. That debt service covers the borrowings for all the city's capital projects, including school and non-school projects.

Alderman Vance asked how that 3% figure compares with the debt service levels for other municipalities. Sandy Pooler responded that Newton is probably on the low side compared with other municipalities. The city has traditionally tried to pay cash for capital improvements as much as possible and has borrowed on ten-year terms. Such a policy has enabled Newton to obtain and retain its AAA bond rating, which has enabled the city to borrow at the lowest possible rates. Alderman Stewart observed that since many of the city's needed capital improvements are not getting done, it might make sense for the city to go somewhat above the 3% debt service amount to address those capital needs. Sandy responded that the revenue pie is always 100% and that if more than 3% of that pie is devoted to debt service for capital projects, there will be less of the pie for operating expenses to provide city services. The city now spends about \$3.1 million a year on debt service. There are many capital projects waiting to be done but Sandy believes that even at the 3% debt service limit the city will be able to chip away at that project list over the next twenty years or so.

Alderman Gentile observed that since construction costs are skyrocketing, is Commissioner Parnell confident in the projected construction cost for the new Newton North. The Commissioner responded that there is provision for some cost escalation built into the project budget, which may cover the cost increases, but there can be no certainty of that.

Sandy Pooler was then asked whether the administration has a contingency plan for dealing with Newton North if the pending referendum petition to limit the costs of that project to \$65 million were to obtain the necessary signatures to place it on the ballot and if that referendum were approved by a majority of the voters. Sandy responded that the administration is proceeding to implement the decision to build a new school and that is what it expects to do.

On the subject of possible cost increases beyond what is estimated in the project budget, Nick Parnell noted that use of the construction manager at risk model would give the city an early warning of a possible project cost that might exceed the budget. That is

because under the construction manager at risk model, the construction manager bears the risk of cost overruns above the price in its bid so that bidders work very carefully with the architect and others to pin down as precisely as possible what they believe to be the eventual cost of the project.

Alderman Gentile asked when and by whom the decision to use the construction manager at risk model for Newton North had been made. Nick replied that that decision has been made by the Mayor and that, as Building Commissioner, Nick supports it. Alderman Gentile expressed his unhappiness that there was not more public discussion about making such a significant change in how Newton contracts for the construction of an important public building, particularly where the new process is untried so that Newton would be serving as a guinea pig for that new process. Alderman Gentile expressed his hope that the process for the selection of an architect will be more legitimate than that for the selection of the project manager, which he regards as a “sham.” He also stated that he wants to have ample opportunity to review the ongoing plans for the design of the new Newton North. Alderman Johnson suggested that meetings of this committee would be an appropriate venue for periodic reviews of those plans, with which Alderman Gentile concurred.

Alderman Schnipper pointed out that so far the Board has not yet appropriated two-thirds of the funds that have been requested for the design work and other initial project services so that the Board, having control of that appropriation, can require of the administration whatever it wants as the price for obtaining the additional appropriations. Alderman Schnipper also reminded the aldermen that next Thursday, May 5, the Public Facilities and Finance Committees will be holding a joint public hearing on the proposed referendum petition to limit the total costs of the Newton North project to \$65 million.

The meeting was adjourned at 9:30 p.m.

Respectfully submitted,

Verne Vance, Chairman